

Services Division
Committee on China

Committee Minutes - 175th Meeting - 15 July 1958

25X1A9a

D/S Representatives: [REDACTED]

25X1A9a

Guests: [REDACTED]

1. The Hong Kong Ta Kung Pao stated on 8-9 June that two integrated metallurgical centers, comparable in size to Wuhan and Paotou, will be constructed at Chiuchuan (Kansu) and Hsichang (Szechuan). Chiuchuan, on the Trans-Sinkiang railroad, is near the Chingtienshan mining area. Preparatory work on the Chiuchuan installation will begin this year and it will be constructed at half the cost and in half the time of Paotou or Wuhan. Hsichang, on the projected Chengtu-Kunming rail line, is near the Yenpien iron deposits, "the richest in the Southwest," but will involve a considerable construction period due to the lack of transport in the area. Both Chiuchuan and Hsichang are to be designed and equipped by Chinese sources.

25X1A9a

[REDACTED] S/CST.

2. Equipment and raw materials will probably be the main problems to be encountered during the current expansion of China's hydroelectric power capacity. While not mentioning the power program specifically, there has been mention of a contradiction between raw material supply and the "leap forward" program.

Most of the small rural hydroelectric plants which are being built this year are being financed and constructed by the cooperatives with technical aid from the central governments. The 1958 goal for these small plants is 900,000 kilowatts, largely from plants 40 kilowatts or less in capacity. Plants of this size are so small that probably their only use will be for lighting, pumping, and some milling. Larger plants are scheduled for future years. Most of the plants are being constructed in the eastern, central, and southern regions of China.

25X1A9a

[REDACTED] M/FP.

3. [REDACTED] map should be available within the next week or two.

25X1B0c

The map used as the base for the [REDACTED] map has been further revised and modernized to reflect recently announced new lines. It will be available in a few weeks.

25X1A9a

[REDACTED] St/I/R
[REDACTED] S/TR

4. The new 3-million-ton oil refinery to be built at Nanking remains unconfirmed. The similarity of figures and names suggests that the early report may have referred to a 300,000-ton refinery to be built at Nanchung which has been reported.

25X1A9a

M/FP.

5. The Chinese Communist Ministry of Agriculture announced on July 1 that the first count of the 1958 winter wheat harvest was 32 million tons, being 11 million tons over 1957.

25X1X7

Comment: This figure is not considered impossible and although possibly subject to later downward revision, an impressive increase seems assured. These results bring home the significance of this year's production drive and provide a sound foundation for reaching the state grain target of 196 million tons. Much will, however, depend on the severity of natural calamities. Certain provinces are still suffering from drought conditions. Agricultural works, although of great value, have not yet been subjected to the test of a full season.

25X1X7

6. Announcement has been made of work on a new rail line in north-western Yunnan Province to be financed by the Pai autonomous government. Part of the 105-kilometer line is to be open to traffic about 1 October. All of the materials for the line, including rolling stock, are to be produced by local industries. A total of 500 kilometers of lines are to be built by the Pai government during the Second Five Year Plan.

Comment: It is not clear whether these lines represent further expansion of the use of makeshift rail lines previously noted in Shansi and Kansu provinces. However, this is probably the case. The new lines are to be joined to the projected Kunming-Tali railway which is to be constructed by the central government (presumably the Ministry of Railways). This may mean that the lines are standard gauge.

7. Item 2 of the minutes of the 174th Meeting of the Committee should be amended to read: "An article in the Peiping Chien-Feng Chou Pao of 14 February makes an incidental mention of a former Weapons Supplies Bureau."

25X1A9a

S/TR.

Agenda: The next meeting will be on 5 August at 1400 in Room 1125 M. Current items will be the topic of discussion.

Note: When the meetings are scheduled for Room 1125 in Building M, representatives from other Government Departments will use the entrance at Building Q off Constitution Avenue. If the meeting is scheduled in Room 1121 M these representatives should use the entrance to Building M at 26th Street.

25X1A9a

25X1A9a

ORR/S/TR: /pnb/2370 (16 July 58)